



February 22, 1989

Honorable Mayor Agnos  
 City and County of San Francisco  
 Room 200 - City Hall

Honorable Board of Supervisors  
 City and County of San Francisco  
 Room 235 - City Hall

RE: Executive Overview - General Fund Balance  
 Projection to June 30, 1989

Ladies and Gentlemen:

Based upon the six months ended December 31, 1988, the City's projected fund balance shows general improvement from our previous first quarter projection (\$8 million fund balance), and indicates that the General Fund could have a \$23.3 million fund balance at fiscal year end.

This projected General Fund balance is composed of the following:

	<u>(In Thousands)</u>
Adjusted Unappropriated revenue reserves June 30, 1988	\$ 9,699
Less: Funds certified for supplemental appropriations	(10,707)
Required Supplemental to reimburse the State for San Francisco General Hospital loan	( 1,700)
Add: Revenue from Trial Court Funding Subvention	<u>6,572</u>
	3,864

(In Thousands)

Total from previous page

\$ 3,864

Projected General Fund operations to June 30, 1989:

	Budget/Actual Variance Favorable (Unfavorable)	
<u>REVENUES</u>		
Property Taxes	\$( 936 )	
Business Taxes	( 1,326 )	
Other Local Taxes	11,700	
Grants & Subventions	( 932 )	
Licenses, fines & penalties	333	
Interest & investment earning	( 363 )	
Charges for services	( 669 )	
Recovery of general government	0	
Others-Net	<u>451</u>	
		\$8,258
<u>EXPENDITURES</u>		
Public Protection	6,404	
Public Works, transportation & commerce	482	
Human welfare, neighborhood & development	643	
Community Health	2,572	
Culture & Recreation	607	
General administration finance	<u>2,657</u>	
		<u>13,365</u>
Net General Fund Operating Surplus Projection over Budget		<u>21,623</u>
Surplus (deficit) from subsidized enterprise Operations:		
Muni Railway	(2,300)	
S.F. General Hospital	( 806)	
Laguna Honda	<u>959</u>	<u>( 2,147)</u>
Projected Undesignated General Fund Balance June 30, 1989		<u>\$23,340</u>

## General Fund

Revenues in total show a favorable variance of \$8.3 million, which is mainly comprised of increased real property transfer taxes of \$6.8 million, increased sales taxes of \$3.5 million and increases of utility users taxes of \$1.4 million. These are somewhat offset by unfavorable variances in property taxes \$ 0.9 million, payroll taxes \$1.3 million, Socials Services subventions \$1.7 million, and user fees of \$ 0.7 million.

Favorable General Fund expenditure variances of \$13.4 million result from projected under spending by most City departments. Major under spending is projected from the Police department \$5.0 million, Public Health Central Office \$2.1 million, Superior Court \$0.8 million, Municipal Court \$0.5 million, Community Mental Health \$0.5 million, Recreation and Park \$0.5 million, Treasure Tax Collections \$0.7 million, and General City responsibilities of \$1.7 million.

Major projected over expenditures include \$1.7 million for the Fire Department's extended work week costs which could increase to \$3.2 million if cost saving measures are not implemented; \$1 million for workers compensation costs ; and \$1.7 million for general assistance costs.

## MUNICIPAL RAILWAY

A shortfall of \$2.3 million primarily results from a combination of reduced fare box revenues of \$1 million and over expenditures for personal services of \$1.5 million, less other items netting \$0.2 million.

## SAN FRANCISCO GENERAL HOSPITAL

Projections show a revenue short fall of \$2.9 million due to reduced patient census primarily in the self insurance and other patients categories. These reductions are primarily offset by savings in the hospital's personal services accounts of \$3.4 million and services of other departments of \$0.3 million. The hospital estimates that their contractual service accounts will be \$1.3 million over budget.

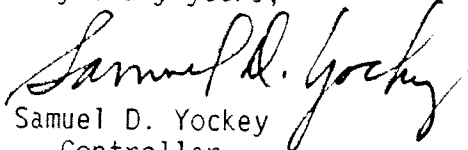
## LAGUNA HONDA HOSPITAL

The projected favorable variance of \$1 million primarily results from increased revenues of \$2.9 million from MediCal rate increases off set in part by over expenditures of \$0.7 million in personal services, and a prior year close out adjustment of \$1.3 million.

These operational highlights are fully discussed in the Controller's detailed fund balance projection report issued on February 22, 1989. Copies of this report may be obtained from Ralph Chin in Room 109 - City Hall (554-7597).

The next projection based upon operations for the eight months ended February 28, 1989 will be issued in mid-April 1989.

Very truly yours,

  
Samuel D. Yockey  
Controller

CITY AND COUNTY OF SAN FRANCISCO

FUND BALANCE PROJECTIONS

TO JUNE 30, 1989

FOR GENERAL AND  
SUBSIDIZED ENTERPRISE FUNDS

BASED UPON THE PERIOD ENDED  
DECEMBER 31, 1988

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February 22, 1989

Mayor Art Agnos  
City and County of San Francisco  
Room 200 - City Hall

Board of Supervisors  
City and County of San Francisco  
Room 235 - City Hall

Attention: Finance Committee

Re: Projected Fund Balances

Ladies and Gentlemen:

I am presenting to you our interim report of projected June 30, 1989 fund balances available for future appropriations together with projected operating results (revenues, expenditures and operating transfers). Included are the General Fund and subsidized Enterprise Funds (Municipal Railway, San Francisco General Hospital and Laguna Honda Hospital).

This report is divided into three sections. Section I provides total operating projections for the General Fund, Municipal Railway, San Francisco General Hospital and Laguna Honda Hospital. Projected revenues are shown in Section II and projected expenditures, by department, are shown in Section III.

Our projections are based on actual revenue, expenditure and operating transfer data through December 31, 1988. Revenue and expenditure data are projected to June 30, 1989 based on historical trends, expected developments and consultation with departments.

Based on operations to date, this office projects an undesignated General Fund Balance at June 30, 1989 of \$23.3 million. This is approximately \$15 million more than was projected in our first quarterly report.

Projected Fund Balance  
February 22, 1989

These estimates will be refined in our next report to be issued on April 15, 1989. We welcome and appreciate comments and suggestions for improvement.

Very truly yours,

  
Samuel D. Yockey  
Controller

SDY:SS:chl-416R-3(revised)

cc: John L. Taylor  
Clerk of the Board

Harvey Rose  
Budget Analyst

Executive Deputy Mayor

SECTION I

PROJECTED OPERATIONS  
(Revenues, Expenditures, Operating Transfers  
And General Fund Balance)



SCHEDULE OF BUDGETED AND PROJECTED REVENUES, EXPENDITURES AND FUND BALANCE  
 For year ended June 30, 1989  
 As of December 31, 1988  
 (in thousands)

GENERAL FUND	ACTUAL FY 87-88	F.Y. 1988-89		VARIANCE FAVORABLE (UNFAVORABLE)
		REVISED BUDGET	CURRENT PROJECTION	
<b>REVENUES</b>				
Property taxes	\$ 349,233	379,556	378,620	(936)
Business taxes	120,642	139,996	138,670	(1,326)
Other local taxes	168,035	159,619	171,319	11,700
Grants & subventions	258,457	277,230	276,298	(932)
Licenses, fines & penalties	44,899	50,613	50,946	333
Interest & investment earnings	15,670	14,507	14,144	(363)
Charges for services	47,351	51,535	50,866	(669)
Recovery of general government costs	5,547	7,355	7,355	0
Other	718	160	611	451
<b>Total revenues</b>	<b>1,010,552</b>	<b>1,080,571</b>	<b>1,088,829</b>	<b>8,258</b>
<b>EXPENDITURES &amp; ENCUMBRANCES</b>				
Public protection	415,013	411,857	405,453	6,404
Public works, transportation & commerce	31,847	20,220	19,738	482
Human welfare & neighborhood development	208,825	223,580	222,937	643
Community health	121,219	126,841	124,269	2,572
Culture & recreation	60,341	60,090	59,483	607
General administration & finance	100,008	118,074	115,417	2,657
<b>Total expenditures &amp; encumbrance</b>	<b>937,253</b>	<b>960,662</b>	<b>947,297</b>	<b>13,365</b>
Excess (deficiency) of revenues over (under) expenditures & encumbrances	73,299	119,909	141,532	21,623
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers, in from:				
SF Airport Operating Fund	9,655	10,500	10,500	0
Hetch Hetchy Operating Fund	42,960	25,000	25,000	0
Water Operating Fund	10,042	2,398	2,398	0
Special Revenue Funds	9,637	14,689	14,689	0
<b>Total Operating transfers in</b>	<b>72,294</b>	<b>52,587</b>	<b>52,587</b>	<b>0</b>
Operating transfers out to:				
Municipal Railway				
Revenues	116,392	125,895	125,195	(700)
Expenditures & encumbrances	(233,122)	(237,276)	(238,876)	(1,600)
Other Financing Sources (Uses)	5,966	3,443	3,443	0
<b>Contribution to Muni Railway</b>	<b>\$ (110,764)</b>	<b>(107,938)</b>	<b>(110,238)</b>	<b>(2,300)</b>

(Continued to next page)

SCHEDULE OF BUDGETED AND PROJECTED REVENUES, EXPENDITURES AND FUND BALANCE  
 For year ended June 30, 1989  
 As of December 31, 1988  
 (in thousands)

GENERAL FUND (Continued)	ACTUAL FY 87-88	F.Y. 1988-89		VARIANCE FAVORABLE (UNFAVORABLE)
		REVISED BUDGET	CURRENT PROJECTION	
<b>San Francisco General Hospital</b>				
Revenues	\$ 123,557	129,190	126,299	(2,891)
Expenditures & encumbrances	(178,042)	(183,407)	(181,008)	2,399
Other Financing Sources (Uses)	(727)	3,245	3,245	0
Prior Year Operating Deficit	(314)	0	(314)	(314)
Contribution to SFGH	(55,526)	(50,972)	(51,778)	(806)
<b>Laguna Honda Hospital</b>				
Revenues	64,056	63,297	66,221	2,924
Expenditures & encumbrances	(64,522)	(71,340)	(72,034)	(694)
Other Financing Sources (Uses)	(4,202)	2,757	2,757	0
Prior Year Operating Deficit	(1,271)	0	(1,271)	(1,271)
Contribution to LHH	(5,939)	(5,286)	(4,327)	959
Special Revenue Funds	(12,239)	(8,718)	(8,718)	0
Capital Project Funds	(19,651)	(3,042)	(3,042)	0
Total Operating transfers out	(204,119)	(175,956)	(178,103)	(2,147)
Total other financing sources (uses)	(131,825)	(123,369)	(125,516)	(2,147)
Excess (deficiency) of revenues & other sources over (under) expenditures, encumbrances & other uses	\$ (58,526)	(3,460)	16,016	\$ 19,476
Unappropriated Revenue Reserves (from 1988/89 Annual Appropriation Ordinance)				9,720
Adjustment to adopted Ordinance				(21)
Subsequent revenue and appropriation amendments:				
Revenue from Trial Court Funding Subvention				6,572
Supplemental appropriations:				
Funds certified (thru 1/15/89) from General Reserve				(10,707)
Required supplemental to reimburse State for SFGH loan				(1,700)
Projected Undesignated General Fund Fund Balance at June 30, 1989			\$	23,340

SECTION II

PROJECTED REVENUES

SCHEDULE OF BUDGETED AND PROJECTED REVENUES  
 YEAR ENDED JUNE 30, 1989  
 As of December 31, 1988  
 (In Thousands)

D E T A I L

GENERAL FUND	FY 88-89			
	ACTUAL FY 87-88	REVISED BUDGET	CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)
<b>PROPERTY TAXES</b>				
Current year - secured	\$ 298,627	\$ 325,200	\$ 326,000	\$ 800 (A)
Current year - unsecured	32,753	34,750	33,075	(1,675) (A)
Other	17,853	19,606	19,545	(61)
Total property taxes	349,233	379,556	378,620	(936)
<b>BUSINESS TAXES</b>				
Business registration tax ✓	0	7,000	7,000	0 (B)
Business tax ✓	16,991	19,436	19,436	0
Payroll tax ✓	103,651	113,560	112,234	(1,326) (B)
Total business taxes	120,642	139,996	138,670	(1,326)
<b>OTHER LOCAL TAXES</b>				
Franchise tax	4,814	4,800	4,800	0
Real property transfer tax ✓	19,185	17,000	23,800	6,800 (C)
Parking tax ✓	16,022	16,545	16,545	0
Utility users tax ✓	34,407	24,000	25,400	1,400 (D)
Hotel room tax ✓	16,563	17,774	17,774	0
Sales tax ✓	77,044	79,500	83,000	3,500 (E)
Total other local taxes	168,035	159,619	171,319	11,700
<b>GRANTS AND SUBVENTIONS</b>				
Homeowners property tax	6,252	5,899	6,102	203
Motor vehicle in lieu - county ✓	30,746	32,093	32,093	0
Motor vehicle in lieu - city ✓	23,591	24,377	24,377	0
Cigarette tax ✓	2,364	2,400	2,400	0
Mental health subventions	21,424	22,049	22,049	0
County health services - state	14,288	15,853	15,787	(66)
State block grants	5,235	0	0	0
Medically indigent adult	2,867	2,867	2,867	0
Social services subventions	142,295	163,879	162,130	(1,749) (F)
Grants	426	558	558	0
Other	8,969	7,255	7,935	680 (G)
Total grants and subventions	258,457	277,230	276,298	(932)

See notes following the schedules

(Continued)

SCHEDULE OF BUDGETED AND PROJECTED REVENUES  
 YEAR ENDED JUNE 30, 1989  
 As of December 31, 1988  
 (In Thousands)

D E T A I L

GENERAL FUND (Continued)	FY 88-89			
	ACTUAL FY 87-88	REVISED BUDGET	CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)
<b>LICENSES, FINES AND PENALTIES</b>				
Licenses	\$ 5,742	\$ 5,772	\$ 6,069	\$ 297
Traffic fines - parking	34,211	39,601	39,976	375 (H)
Traffic fines - moving	3,644	4,270	3,651	(619) (H)
Unclaimed Bail	357	20	300	280
Other fines and penalties	945	950	950	0
<b>Total lic., fines and penalties</b>	<b>44,899</b>	<b>50,613</b>	<b>50,946</b>	<b>333</b>
<b>USE OF MONEY OR PROPERTY</b>				
Interest and other invest. earnings	13,651	13,945	13,582	(363) (I)
Other use of money or property	2,019	562	562	0
<b>Total use of money or property</b>	<b>15,670</b>	<b>14,507</b>	<b>14,144</b>	<b>(363)</b>
<b>CHARGES FOR SERVICES</b>				
Parking meter collections	7,609	9,400	9,400	0
General government service charges	10,857	12,520	11,754	(766) (J)
Public safety service charges	3,407	3,314	4,326	1,012 (K)
Hospital service charges	18,477	19,221	19,221	0
Other service charges	7,001	7,080	6,165	(915) (L)
<b>Total charges for services</b>	<b>47,351</b>	<b>51,535</b>	<b>50,866</b>	<b>(669)</b>
<b>RECOVERY OF GENERAL GOV'T. COSTS</b>	<b>5,547</b>	<b>7,355</b>	<b>7,355</b>	<b>0</b>
<b>OTHER REVENUES</b>	<b>718</b>	<b>160</b>	<b>611</b>	<b>451 (M)</b>
<b>TOTAL REVENUES</b>	<b>\$1,010,552</b>	<b>\$1,080,571</b>	<b>\$1,088,829</b>	<b>\$ 8,258</b>

See notes following the schedules

SCHEDULE OF BUDGETED AND PROJECTED REVENUES  
 YEAR ENDED JUNE 30, 1989  
 As of December 31, 1988  
 (In Thousands)

D E T A I L

	FY 88-89			
	ACTUAL FY 87-88	REVISED BUDGET	CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)
<b>MUNICIPAL RAILWAY</b>				
<b>SUBVENTIONS</b>				
Sales tax allocation - MTC	\$ 32,955	\$ 36,450	\$ 36,450	\$ 0
Operating assistance	8,025	8,000	8,000	0
MTC bridge toll allocation	1,550	3,400	3,700	300 (N)
Grants	1,615	0	0	0
<b>Total grants and subventions</b>	<b>44,145</b>	<b>47,850</b>	<b>48,150</b>	<b>300</b>
<b>CHARGES FOR SERVICES</b>				
Passenger fares	69,179	75,400	74,200	(1,200) (N)
Other	3,068	2,645	2,845	200 (N)
<b>Total charges for services</b>	<b>72,247</b>	<b>78,045</b>	<b>77,045</b>	<b>(1,000)</b>
<b>TOTAL REVENUES</b>	<b>\$ 116,392</b>	<b>\$ 125,895</b>	<b>\$ 125,195</b>	<b>\$ (700)</b>
<b>SAN FRANCISCO GENERAL HOSPITAL</b>				
<b>SUBVENTIONS</b>				
County health services	\$ 21,558	\$ 22,788	\$ 22,788	\$ 0
Medically indigent adult	24,349	24,305	24,305	0
SLIAG	0	1,022	1,022	0
<b>Total subventions</b>	<b>45,907</b>	<b>48,115</b>	<b>48,115</b>	<b>0</b>
<b>CHARGES FOR SERVICES</b>				
Patient net revenue	75,998	79,320	76,295	(3,025) (O)
Other	1,652	1,755	1,889	134 (O)
<b>Total charges for services</b>	<b>77,650</b>	<b>81,075</b>	<b>78,184</b>	<b>(2,891)</b>
<b>TOTAL REVENUES</b>	<b>\$ 123,557</b>	<b>\$ 129,190</b>	<b>\$ 126,299</b>	<b>\$ (2,891)</b>

See notes following the schedules

SCHEDULE OF BUDGETED AND PROJECTED REVENUES  
 YEAR ENDED JUNE 30, 1989  
 As of December 31, 1988  
 (In Thousands)

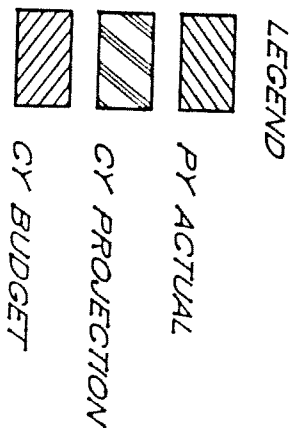
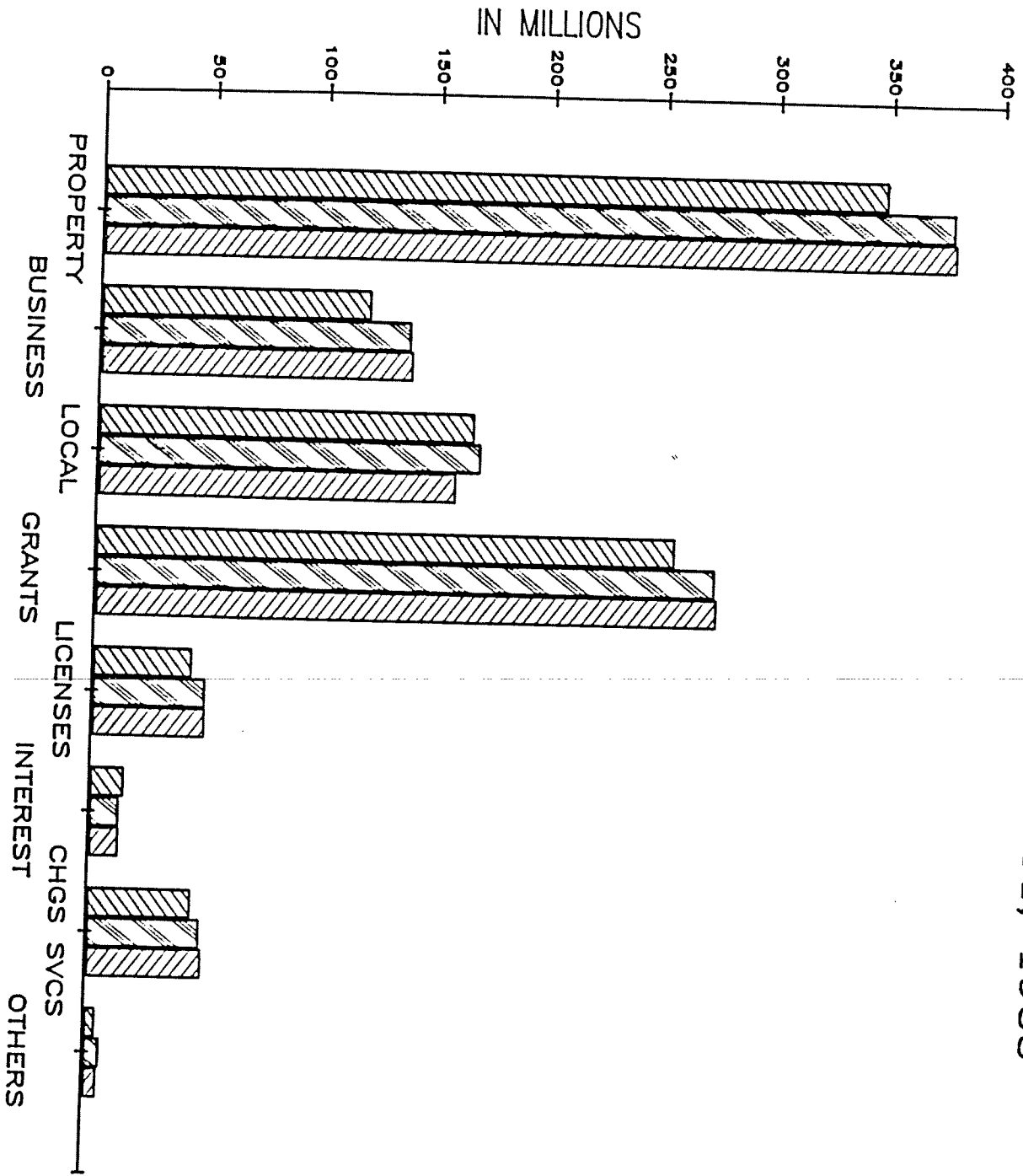
D E T A I L

LAGUNA HONDA HOSPITAL	FY 88-89			
	ACTUAL FY 87-88	REVISED BUDGET	CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)
<b>SUBVENTIONS</b>				
Grants	\$ 3	\$ 0	\$ 0	\$ 0
County health services	1,278	591	591	0
Total subventions	1,281	591	591	0
<b>CHARGES FOR SERVICES</b>				
Hospital service charges	62,649	62,696	65,620	2,924 (P)
Other	126	10	10	0
Total charges for services	62,775	62,706	65,630	2,924
<b>TOTAL REVENUES</b>	\$ 64,056	\$ 63,297	\$ 66,221	\$ 2,924

See notes following the schedules

# GENERAL FUND REVENUES

FY 1988 - 89  
AS OF DEC. 31, 1988





NOTES TO FISCAL YEAR 1988-89 REVENUE PROJECTIONS

(A) PROPERTY TAXES

Current year's secured property taxes reflect a combination of the following (General Fund - 80.3%):

<u>Regular Roll</u>	<u>All Taxing Agencies</u>	<u>General Fund</u>
Shortfall in projected escaped assessments	\$ < 805,000 >	\$ < 646,000 >
Decrease in assessments due to roll corrections	< 1,200,000 >	< 964,000 >
<u>Supplemental Roll</u>		
Increased assessments projected	<u>3,000,000</u>	<u>2,410,000</u>
Net Total	<u>\$ 995,000</u>	<u>\$ 800,000</u>

Current year's unsecured property taxes reflect a combination of the following (General Fund - 79.6%):

<u>Regular Roll</u>	<u>All Taxing Agencies</u>	<u>General Fund</u>
Overstatement in original penal assessments	\$ < 3,500,000 >	\$ < 2,788,000 >
Addition of escaped assessments	<u>1,400,000</u>	<u>1,113,000</u>
Net Total	<u>\$ &lt; 2,100,000 &gt;</u>	<u>\$ &lt; 1,675,000 &gt;</u>

(B) BUSINESS TAXES

Collections from the new \$200 business registration fees already amount to \$6.4 million. We expect the \$7 million budgeted to be collected by fiscal year end. Revenue from payroll taxes may fall short of the budget. Since final tax payments for calendar year 1988 will be remitted by February 28, 1989, we based our projection on prior years' data and comparable present year's collections. Our next projection will be based on a full half year revenue collections.

(C) REAL PROPERTY TRANSFER TAXES

The vigorous "sellers" market during the first half of the fiscal year has generated \$14 million in revenue. Real estate price increases and high interest rates prevalent in 1989 are expected to slow down sales during the second-half of fiscal year. However, with the strong first-half we project a \$6.8 million favorable variance by year end.

(D) UTILITY USERS TAX

The unusually cold winter we are experiencing is expected to generate an additional \$1.4 million in revenues through higher consumption of gas and electricity.

(E) SALES TAXES

Our original growth factor of about 3.2% is projected to be surpassed this year based on sales tax allocations received to date. The impact of sales during the holidays will not be known until March, 1989, when we receive the final accounting from the State for that period.

(F) SOCIAL SERVICES SUBVENTIONS

Most social services subvention revenues are based on expenditures recorded in those programs. The revenue decrease of \$1.7 million is projected to match a comparable decrease in subsidized program expenditures. However, as Note F to Expenditure Projections explains the increase to unsubsidized programs are increasing the costs to the General Fund.

(G) HEALTH SERVICES AND OTHER SUBVENTIONS

Other Grants and Subventions is a net total of such revenues from several departments. Major variances are projected as follows (in thousands):

Social Services miscellaneous administrative claim	\$1,406
Crippled Children Program	( 510)
S.L.I.A.G. - Public Health	( 177)
Miscellaneous	( 39)
	<u>\$ 680</u>

(H) LICENSES, FINES AND PENALTIES

Traffic fines from parking violations slightly exceed the budget. Revenue from moving violations was budgeted at last year's budget level. A shortfall in actual revenues is expected because of a continuing downward trend.

(I) INTEREST AND OTHER INVESTMENT EARNINGS

General Fund interest income continues to decline despite higher interest rates due to declining general fund cash balances. While projections show a \$363,000 shortfall, this shortfall would actually be over \$2 million were it not for the State loan taken by the San Francisco General Hospital.

(J) GENERAL GOVERNMENT SERVICE CHARGES

A major portion of the unfavorable variance is due to court fees, planning commission fees, county clerk fees and court reimbursements coming in below budget estimates.

(K) PUBLIC SAFETY SERVICE CHARGES

The increase in projected Public Safety Services Charges will result in a positive variance from estimated revenues as follows (in thousands):

Auctioneer fees	\$275
Debris box fees	215
Posting fees	163
Street space permits	92
Miscellaneous	267
	<u>\$1,012</u>

(L) OTHER SERVICE CHARGES

The net decrease in Other Service Charges was the result of variances from estimated revenues as follows (in thousands):

Boarding of prisoners charges	\$(608)
Hazardous waste storage fees	(251)
Underground storage fees	(157)
Miscellaneous	101
	<u>\$(915)</u>

(M) OTHER REVENUES

This account is composed of non-operating revenues like proceeds from sale of equipment and other miscellaneous charges. Because of the uncertain nature of such revenues the revenue estimate tends to be conservative.

(N) MUNICIPAL RAILWAY

P.U.C. staff determined that additional revenues will be generated through increased bridge toll allocations and advertisements.

Based on six months actual revenues, we projected that Muni may fall short on passenger fares by \$1 million resulting in a net decrease in total revenues of \$0.7 million.

(O) SAN FRANCISCO GENERAL HOSPITAL

S.F.G.H charges for services are down \$3 million due to reduced patient census, primarily in self insurance and other patients. Impacts on revenue from reductions in census in other major areas appear at present to be offset by increases from collection programs implemented by the S.F.G.H. last year.

(P) LAGUNA HONDA HOSPITAL

A MediCal rate increase from \$140.61 to \$151.47 per patient day was approved effective August, 1988. This was not included in our budget and is expected to generate an additional \$4.1 million per the latest update made by the hospital staff. However, a revenue shortfall from Medicare of \$1.7 million caused by overestimates will leave a net favorable variance of about \$2.9 million.

SECTION III

PROJECTED EXPENDITURES

SCHEDULE OF BUDGETED AND PROJECTED EXPENDITURES  
 For year ended June 30, 1989  
 As of December 31, 1988  
 (in thousands)

GENERAL FUND	F.Y. 1988-89			
	ACTUAL FY 87-88	REVISED BUDGET	CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)
<b>PUBLIC PROTECTION</b>				
District Attorney	\$ 19,950	20,941	20,879	62 (b)
Public Defender	7,157	7,214	7,107	107 (a)
Sheriff	24,550	26,539	26,099	440 (a)
Superior Court	9,702	11,619	10,851	768 (a)
Municipal Court	15,872	16,483	15,921	562 (a)
Juvenile Court	14,564	13,650	13,132	518 (a)
Adult Probation	5,002	4,900	4,559	341 (a)
County Clerk	5,585	5,574	5,353	221 (a)
Fire Department	128,339	125,469	127,161	(1,692)(d)
Police Department	182,232	177,386	172,377	5,009 (e)
County Agriculture-Weights & Measures	591	616	590	26 (a)
Public Administrator/Guardian	1,469	1,466	1,424	42 (a)
	415,013	411,857	405,453	6,404
<b>PUBLIC WORKS, TRANSPORTATION AND MERCE</b>				
Permit Appeals	214	221	214	7 (a)
PUC Light, Heat and Power	3,847	3,788	3,788	0
Electricity	4,196	5,732	5,648	84 (a)
Public Works	23,590	10,479	10,088	391 (a)
	31,847	20,220	19,738	482
<b>HUMAN WELFARE AND NEIGHBORHOOD DEVELOPMENT</b>				
Mayor's Special Services	0	0	0	0
Human Rights Commission	1,186	1,402	1,065	337 (a)
Social Services	206,484	220,920	220,636	284 (f)
Commission on the Status of Women	303	360	354	6 (a)
Rent Arbitration Board	852	898	882	16 (a)
	208,825	223,580	222,937	643
<b>COMMUNITY HEALTH</b>				
Medical Examiner/Coroner	1,839	1,830	1,865	(35)(c)
Public Health Central Office	39,202	42,024	39,891	2,133 (g)
Community Mental Health	80,178	82,987	82,513	474 (a)
	\$ 121,219	126,841	124,269	2,572

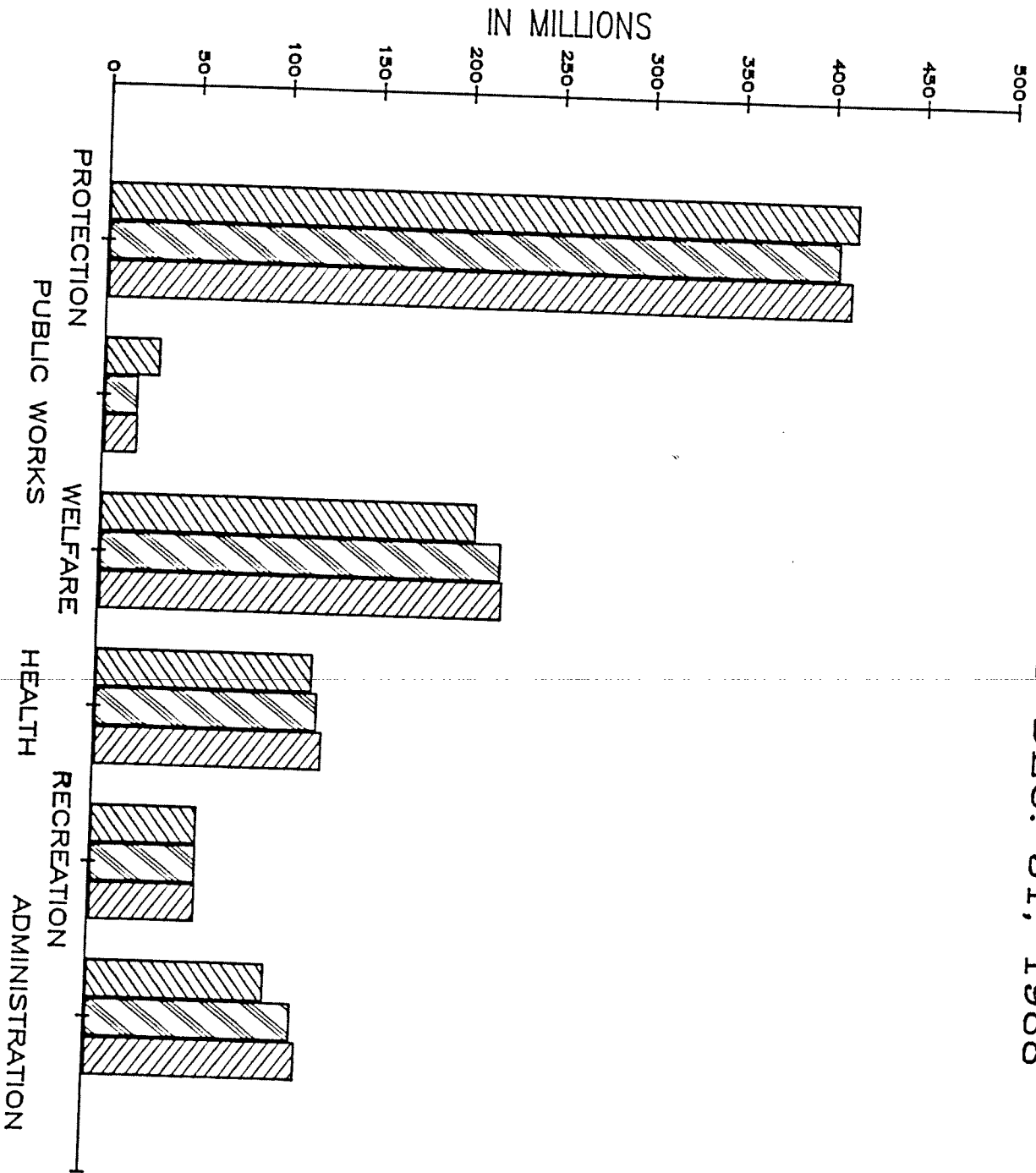
SCHEDULE OF BUDGETED AND PROJECTED EXPENDITURES  
 For year ended June 30, 1989  
 As of December 31, 1988  
 (in thousands)

GENERAL FUND (Continued)	F.Y. 1988-89			
	ACTUAL FY 87-88	REVISED BUDGET	CURRENT PROJECTION	VARIANCE FAVORABLE (UNFAVORABLE)
<b>CULTURE AND RECREATION</b>				
County Educational Office	\$ 94	371	362	9 (a)
Art Commission	1,050	1,372	1,338	34 (a)
Public Library	18,442	18,285	18,375	(90)(c)
Recreation and Park	33,513	32,116	31,533	583 (a)
War Memorial	8	0	0	0
Academy of Sciences	1,640	1,777	1,782	(5)(c)
Fine Arts Museums	4,115	4,555	4,451	104 (b)
Asian Art Museum	1,298	1,435	1,462	(27)(c)
Law Library	181	179	180	(1)(c)
	<u>60,341</u>	<u>60,090</u>	<u>59,483</u>	<u>607</u>
<b>GENERAL ADMINISTRATION AND FINANCE</b>				
Board of Supervisors	4,618	4,675	4,499	176 (a)
Assessor	4,918	5,660	5,556	104 (a)
City Attorney	5,469	5,368	5,236	132 (a)
Treasurer/Tax Collector	6,445	9,167	8,514	653 (a)
Controller	14,644	13,961	13,904	57 (a)
Mayor	5,816	4,435	4,400	35 (b)
City Planning	5,171	5,238	5,286	(48)(c)
Civil Service	6,425	7,280	7,035	245 (a)
Retirement System (including Workers' Compensation)	11,803	11,765	12,215	(450)(h)
Chief Administrative Officer	2,511	13,663	13,651	12 (a)
Real Estate	2,420	2,465	2,470	(5)(c)
Recorder	717	661	633	28 (a)
Registrar	2,754	1,853	1,913	(60)(c)
Records Center	154	0	0	0
Purchaser	3,454	3,290	3,205	85 (a)
General City Responsibility	22,689	28,593	26,900	1,693 (i)
	<u>100,008</u>	<u>118,074</u>	<u>115,417</u>	<u>2,657</u>
Total General Fund	\$ 937,253	960,662	947,297	13,365
<b>ENTERPRISE FUNDS SUBSIDIZED BY GENERAL FUND:</b>				
Municipal Railway	\$ 233,122	237,276	238,876	(1,600)(j)
San Francisco General Hospital	\$ 178,042	183,407	181,008	2,399 (k)
Laguna Honda Hospital	\$ 64,522	71,340	72,034	(694)(l)

# GENERAL FUND EXPENDITURES

## FY 1988 - 89

### AS OF DEC. 31, 1988



**LEGEND**

- PY ACTUAL
- CY PROJECTION
- CY BUDGET



NOTES TO FY 1988-89 EXPENDITURE PROJECTIONS

Expenditure projections for personal services accounts are based on departments' expenditures as of the payperiod ending December 23, 1988, the estimated remaining expenditures required to support the existing work force plus approved requisitions unfilled to date and/or spending plans submitted by the departments.

For the second quarter, minor non-personal services accounts were not reviewed as it is assumed that departments are able to operate within their budget. Major non-personal accounts, however, were reviewed and are reflected in this projection.

- (a) These departments are projected to have a surplus in their personal services accounts at the end of the fiscal year provided that no additional personnel requisitions are added to increase their current level of staffing.
- (b) Projections for these departments indicate that surplus in personal services accounts may materialize at year end. However, deficits are projected in some personal services accounts as itemized below. Appropriate actions will be required of the departments to prevent the occurrence of deficits in these personal services accounts which may require a request for supplemental appropriation for transfer of funds or a reduction of their current personnel staffing.

<u>DEPARTMENT</u>	<u>DEFICIT PROJECTED IN PERSONAL SERVICE</u>		
	<u>PERMANENT SALARIES</u>	<u>OVERTIME HOL. PAY</u>	<u>MANDATORY FRINGES</u>
District Attorney	(110,300)		
Fine Arts Museum		( 4,500)	
Mayor			(56,500)

- (c) Projections for these departments indicate that deficits in personal services accounts may materialize at year end if appropriate action is not taken. One of the following two courses of actions is required:
  1. Modify their current staffing to reduce the rate of personal services accounts' expenditure during the rest of the fiscal year.
  2. Submit a supplemental appropriation request for additional funds.

<u>DEPARTMENT</u>	<u>DEFICIT PROJECTED IN PERSONAL SERVICE</u>	
	<u>PERMANENT SALARIES</u>	<u>MANDATORY FRINGES</u>
Medical Examiner	(38,900)	
Public Library	(9,900)	(117,850)
Academy of Sciences	(6,000)	
Asian Arts Museum	(32,000)	

NOTES TO FY 1988-89 EXPENDITURE PROJECTIONS

<u>DEPARTMENT</u>	<u>DEFICIT PROJECTED IN PERSONAL SERVICE</u>	
	<u>PERMANENT SALARIES</u>	<u>MANDATORY FRINGES</u>
Law Library		(530)
City Planning	(33,200)	(15,000)
Real Estate	(4,300)	(600)
Registrar	(38,200)	(20,600)

(d) FIRE DEPARTMENT

Current projections indicate that the Fire Department will incur an overall deficit of \$1,692,500 in personal services at year-end as detailed below:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
Permanent Salaries - Miscellaneous	\$( 23,520)
Permanent Salaries - Uniform	184,780
Permanent Salaries - Crafts	33,200
Differential Pay	( 6,500)
Temporary Salaries	26,000
Overtime	( 17,260)
Holiday Pay	218,900
Extended Work Week	(2,132,500)
Mandatory Fringe Benefits	24,400
Projected deficit - Personal Services	<u>\$(1,692,500)</u>

The department is currently preparing a request for supplemental appropriation for \$2,175,800, reappropriating funds from Permanent Salaries-Craft, Temporary Salaries, Holiday Pay and Mandatory Fringe Benefits accounts to partially cover the projected deficit in the Extended Work Week, Permanent Salaries-Miscellaneous, Overtime and Differential Pay accounts. Approximately \$2 million will be requested from the General Fund-Unappropriated Revenue Reserve as source of funding for the supplemental appropriation.

The above projection assumes that corrective actions by the department's management will be initiated by March 1, 1989 to reduce expenditures in the Extended Work Week account. Any delay or inability to implement action plans will raise the projected deficit by approximately \$1.5 million.

NOTES TO FY 1988-89 EXPENDITURE PROJECTIONS

(e) POLICE DEPARTMENT

The Police Department is projected to have an overall surplus of \$5,008,720 as detailed below:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
Permanent Salaries - Miscellaneous	\$ 787,000
Permanent Salaries - Uniform	2,444,600
Differential Pay	( 87,100)
Temporary Salaries	50,300
Overtime	( 991,600)
Holiday Pay	173,500
Extended Work Week	189,600
Mandatory Fringe Benefits	<u>2,206,300</u>
Projected surplus - Personal Services	\$4,772,600
 <u>Senior Escort Program:</u>	
Permanent Salaries - Miscellaneous	97,350
Mandatory Fringe Benefits	33,370
 <u>Complaints Program:</u>	
Permanent Salaries - Miscellaneous	74,500
Overtime	( 2,400)
Mandatory Fringe Benefits	33,300
Net Projected surplus	<u>\$5,008,720</u>

Projected surplus in Permanent Salaries-Miscellaneous is the result of having 50 Parking Control positions funded in the Police Department's budget for the entire FY 1988-89 while the same positions were funded in the Parking Authority for the first half of FY 1988-89.

Higher retirements, resignations and terminations than anticipated in the Police Department's budget, resulted in projected surpluses of \$2.4 million in Permanent Salaries Uniform and \$2.2 million in related mandatory fringe benefits.

The department will be required to reappropriate surplus funds to cover projected deficits in their Overtime and Differential Pay through a request for supplemental appropriation.

(f) DEPARTMENT OF SOCIAL SERVICES

Current projections for the Department of Social Services indicate an overall surplus of \$283,700. This is the result of projected surpluses in Federal & State share of \$1,331,536 in the personal services accounts and \$398,963 in subsidized welfare aid programs offset by General Fund's share of \$598,964 projected surplus in personal services accounts, \$305,313 projected deficit in subsidized welfare programs and \$1,740,530 projected deficit in General Assistance. The net projected deficit in General Fund's share of the department's expenditure is \$1,446,799.

NOTES TO FY 1988-89 EXPENDITURE PROJECTIONS

Detail projections for D.S.S. Personal Services accounts and Welfare Aid Assistance programs are shown below.

1. Personal Services Accounts

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS(DEFICIT)</u>		
	<u>FEDERAL/STATE</u>	<u>GENERAL FUND</u>	<u>TOTAL</u>
Gain Administration -State:			
Permanent Salaries	\$ 263,480	0	263,480
Mandatory Fringe Benefits	72,500	0	72,500
Other Administrative Programs:			
Permanent Salaries	781,886	470,334	1,252,220
Mandatory Fringe Benefits	206,302	124,098	330,400
City Mail Services	7,368	4,432	11,800
Total projected surplus-			
Personal Services Accounts	<u>\$1,331,536</u>	<u>598,864</u>	<u>1,930,400</u>

2. Welfare Aid Assistance Programs

a. Federal & State Supported Programs			
AFDC General Assistance	\$6,109,925	321,575	6,431,500
Foster Care	(5,429,912)	(616,888)	(6,146,800)
Adoption Aid	( 438,750)	-	( 438,750)
Home Care	( 48,130)	(10,000)	( 58,130)
Indo Chinese Refugee	205,830	-	205,830
Total Federal & State Supported Programs	\$ 398,963	(305,313)	93,650
b. General Assistance		(1,740,350)	(1,740,350)
Total projected surplus(deficit)			
Welfare Aid Assistance Programs	<u>\$ 398,963</u>	<u>(2,045,663)</u>	<u>(1,646,700)</u>
Total projection D.S.S.	<u>\$1,730,499</u>	<u>(1,446,799)</u>	<u>283,700</u>

Requests for supplemental appropriations will be presented to Department of Social Services Commission meeting on February 23, 1989 to cover projected deficits in the General Assistance and Foster Care accounts.

(g) DEPARTMENT OF PUBLIC HEALTH - CENTRAL OFFICE

The Department of Public Health - Central Office is projected to have an overall surplus of \$2,133,400 in Personal Services as follows:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
Permanent Salaries - Miscellaneous	\$ 844,600
Permanent Salaries - Nurses	454,300
Temporary Salaries	180,900
Overtime	(48,900)
Holiday Pay	(400)
Mandatory Fringe Benefits	579,000
Other Fringes	<u>123,900</u>
Net Projected Surplus	<u>\$2,133,400</u>

NOTES TO FY 1988-89 EXPENDITURE PROJECTIONS

The projected surplus in Permanent Salaries - Miscellaneous and Permanent Salaries - Nurses are due to unfilled vacancies in the department. The lack of Civil Service eligible list for Public Health Nurses/Supervisors hampers the department's efforts to hire these positions.

The projected deficit in Overtime is due to the increased workload resulting from the implementation of a new State law requiring all employees to present a certified copy of a birth record for employment purposes.

The department has submitted to the Mayor's Office a request for supplemental appropriation reappropriating surplus funds from Mandatory Fringe Benefits and Permanent Salaries - Miscellaneous to cover the projected deficit in the Overtime account.

(h) RETIREMENT SYSTEM (including WORKERS' COMPENSATION)

Retirement System appropriations supported from General Fund including Workers' Compensations' projected deficit of \$450,750 includes the following:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
Permanent Salaries - Misc.	\$ 381,900
Mandatory Fringe Benefits	128,900
Workers' Compensation	(1,315,490)
Prior Year Carryforward:	
Workers' Compensation	<u>353,940</u>
Net Projected Deficit	<u>\$( 450,750)</u>

The current year's projection for Workers' Compensation for individual departments under the General Fund are summarized under the Retirement System. Based on six months actual charges and projections based on prior year trends for the last six months, Retirement System submitted a request for supplemental appropriation to fund the projected deficit in Workers' Compensation on February 3, 1989 for \$1,315,490. The unexpended balance of prior year's Worker's Compensation appropriation carriedforward to FY 1988-89 of \$353,940 can be used as source of funding for the requested supplemental appropriation.

(i) GENERAL CITY RESPONSIBILITY

Based on expenditures billed by Health Service through the period ending December 31, 1988, the General City's Responsibility for the Health Service-Retired Subsidy is anticipated to result in a surplus of \$1,692,800. These projected surplus may be applied to the projected deficits in Health Service-Retired Subsidy of the following Enterprise departments subsidized by General Fund:

Municipal Railway	\$(242,700)
San Francisco General Hospital	(204,300)
Laguna Honda Hospital	<u>( 73,500)</u>
Net projected deficit	
Subsidized Enterprise departments	<u>\$(520,500)</u>

NOTES TO FY 1988-89 EXPENDITURE PROJECTIONS

(j) MUNICIPAL RAILWAY

Based on the department's current spending trend, Municipal Railway's personal services accounts are projected to result in an overall deficit of \$1,512,900 at year end as indicated below:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
Permanent Salaries - Misc.	\$( 28,000) (1)
Permanent Salaries - Craft	( 95,000) (1)
Permanent Salaries - Platform	( 231,400) (2)
Overtime	( 246,500) (3)
Holiday Pay	32,900
Mandatory Fringe Benefits	( 702,200) (4)
Health Service - Retired Subsidy	<u>( 242,700) (4)</u>
Projected deficit	<u>\$(1,512,900)</u>

- (1) To eliminate the projected deficit in Permanent Salaries-Miscellaneous and Crafts, the department intends to hold some positions vacant during the remainder of the fiscal year.
- (2) A request for supplemental appropriation to eliminate the projected deficit in platform salaries will be submitted as agreed upon by the Mayor's Office.
- (3) The projected deficit in Overtime is based on the average expenditures to date. The department plans to control overtime for the remainder of the fiscal year within the remaining available funds.
- (4) Projected deficit in mandatory fringe benefits is due to miscalculation in the budget preparation for City's matching contribution for Social Security and Health Service. The department intends to submit a request for supplemental appropriation to cover the projected deficit in mandatory fringe benefits.

The projected deficit in Health Service-Subsidy for Retired Employees will be offset by the projected surplus in General Fund-General City Responsibilities.

Based on departmental review of their non-personal services accounts, including information furnished by Retirement-Workers' Compensation Division, and current spending of the personal services accounts for the Purchaser's Office's services to MUNI, indicates a net projected result at year-end as follows:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
Material and Supplies	<u>\$ 500,000</u>

NOTES TO FY 1988-89 EXPENDITURE PROJECTIONS

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
Services of Other Departments:	
PUC-Light, Heat & Power	\$(100,000)
Worker's Compensation	(672,000)
Purchaser's Office	185,000
Net Services of Other Departments	<u>\$(587,000)</u>

(k) SAN FRANCISCO GENERAL HOSPITAL

Based on personal services expenditures to December 23, 1988 plus the estimated funds required to maintain the proposed level of staffing for the remainder of the fiscal year, SFGH is projected to result in an overall surplus of \$3,417,800.

The detail projections are as follows:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
Permanent Salaries - Miscellaneous	\$ 4,339,000
Permanent Salaries - Craft	650,500
Permanent Salaries - Nurses	4,713,500
Temporary Salaries - Per Diem Nurses	(6,035,800)
Overtime & Holiday Pay	(1,134,900)
Mandatory Fringe Benefits	1,089,800
Health Service - Retired Subsidy	( 204,300)
Projected surplus	<u>\$ 3,417,800</u>

Based on information furnished by City Attorney and Retirement-Workers' Compensation Division and Purchaser's current payroll charges, Services of Other Departments to San Francisco General Hospital are projected as follows:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
City Attorney Services	\$( 60,000)
Purchaser's Office Services	36,600
Workers' Compensation	<u>344,000</u>
Projected surplus	<u>\$ 320,600</u>

The projected surpluses of \$3.4 million in personal services and services of other departments of \$320,600 are sufficient to cover the \$2,891,000 projected deficit in estimated revenues, the \$340,000 projected deficit in the registry nurses contract and the \$314,471 excess deficit over the General Fund Subsidy appropriated in FY 1987-88. The remaining surplus, however, is not sufficient to cover the \$1,000,000 projected overspending on the University contract.

The department submitted a request for supplemental appropriation to reappropriate funds from Permanent Salaries-Miscellaneous, Crafts and Nurses accounts to cover projected deficits in Temporary Salaries - Per Diem Nurses, Overtime and Professional Services-Registry Nurses.

NOTES TO FY 1988-89 EXPENDITURE PROJECTIONS

Our Office will reserve portion of the projected surplus in Permanent Salaries-Micellaneous to offset both the \$314,471 excess deficit over the General Fund Subsidy appropriated in FY 1987-88, and the projected deficit in estimated revenues of \$2,891,000.

(1) LAGUNA HONDA HOSPITAL

Based on the department's expenditures per the payroll ending January 6, 1989, the department's personal services accounts are projected to have an overall deficit of \$566,300.

Detail projection for the LHH-Personal Services accounts are shown below:

<u>ACCOUNT TITLE</u>	<u>PROJECTED SURPLUS (DEFICIT)</u>
Permanent Salaries - Miscellaneous	\$ 148,500
Permanent Salaries - Crafts	( 32,600)
Permanent Salaries - Nurses	(549,000)
Overtime	(24,000)
Holiday Pay	159,800
Mandatory Fringe Benefits	(195,500)
Health Service - Retired Subsidy	( 73,500)
Projected deficit	<u>\$(566,300)</u>

The Fiscal Officer of Laguna Honda Hospital indicates that the department has placed a hold on filling vacancies as they occur and any outstanding approved requisitions until more favorable variances are projected in their personal services accounts.

Based on departmental review of non-personal services accounts, deficits in appropriated amounts are projected for the following accounts:

<u>ACCOUNT TITLE</u>	<u>PROJECTED (DEFICIT)</u>
Telephone Services	<u>\$(66,000)</u>
Services of Other Departments:	
PUC-Light, Heat & Power	\$(50,500)
Worker's Compensation	(11,600)
Net Services of Other Departments	<u>\$(62,100)</u>

Laguna Honda Hospital administration is currently reviewing the possibility of closing out certain reserve accounts and/or may submit a request for supplemental appropriation applying projected excess revenues to provide funds for offsetting the \$1,271,397 excess deficit over the General Fund Subsidy appropriated in FY 1987-88 due to various audit adjustments proposed by their external auditors, Peat, Marwick & Main.